NORTHERN LIGHTHOUSE BOARD

GOVERNANCE BOARD

MINUTES – 14 NOVEMBER 2024

PRESENT:	Elaine Wilkinson	Chair
	Hugh Shaw	Vice-Chair
	Brian Archibald	Commissioner
	Ron Robson	Commissioner
	Jamie Finlay	Commissioner
	Dick Welsh	Commissioner
	Ruth Charteris	Commissioner
	Gillian Wade	Commissioner
	Nigel Ross	Commissioner
	Aisha Anwar	Commissioner
	Sean Murphy	Commissioner
	Bill Lobban	Commissioner
	Dougie Philand	Commissioner
	Mike Bullock	Chief Executive
	Phil Day	Director of Operations
	Mairi Rae	Director of Business Services
	Jim McBrier	Risk and Improvement Manager
IN ATTENDANCE:	Karen Charleson	Senior Executive Assistant (minutes)

1. WELCOME, APOLOGIES AND INTRODUCTION

Apologies for absence were received from Commissioners Dowdalls, Pyle, Bain, Aldridge, Cameron and Maclaren.

2. DECLARATIONS OF INTERESTS

There was no declaration of interests raised for noting.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the Governance Board held on 29 August and 26 September 2024 were approved and can be published on the website.

Action: Senior Executive Assistant

4. MATTERS ARISING

There were no Matter Arising for discussion at this meeting.

5. ORGANISATIONAL PERFORMANCE

Overview

The Chief Executive, who is also the Accounting Officer, gave an overview of the main issues since the last meeting.

- **Health & Safety** – Health and Safety is our number one priority. The widening of Medical Screening is moving forward, a lone worker app has been introduced and it was recently agreed to purchase a fall protection system for use on flatbed trucks.

- **Climate Emergency** – Adaptation and mitigation are at the centre of NLB's decision making. NLB pays close attention to its performance against the Greening Government Commitments, but this is done against the principle of doing what is right rather than chasing targets.

  Eco Steaming, a concept developed by NLB's vessel crews, has been socialised with the other GLAs and is in the early stages of adoption by Irish Lights and Trinity House. Performance is for the first time being reported across the three GLAs which is providing useful benchmarking. NLB are also leading the way on biodiversity with its work with RSPB and the Hebridean Whale and Dolphin Trust.

- **Project Management** – The Project Management processes are continuing to provide the scrutiny, review, and challenge to maintain visibility across all projects. Commissioner Archibald attended the Programme and Project Board on 13 November 2024 and all Commissioners are encouraged to attend a future meeting.

- **Staff Engagement Survey** - The bare results of the survey were shared with the People Committee at the meeting on 21 October 2024 and the analysis will be shared with them at their next meeting. It was noted that 80% of staff marked their happiness at 7 or greater, but the distribution is uneven with Shore Staff scoring noticeably higher than ship staff. Action is being taken to deal with some of the reasons behind this.

- **Pay** – The Business Case has now been accepted by DfT and is being submitted to the Minister for approval. In the meantime, it is hoped to get authority to pay part of the bonus to staff in November salaries. The consultation process with the Trade Unions can now also progress.

- **KPI Dashboard** - The Commissioners noted the KPI Dashboard included in the meeting pack.

In summary, overall the organisation is delivering well, and in most if not all areas NLB is setting the standards for others to follow. There are some challenges but NLB is in good order.

Discussion ensued around pay and comparison with Trinity House. It was noted that Trinity House has a different structure but there is a clear message from DfT that NLB/Trinity House need to be more aligned going forward.

The Chair, on behalf of the Governance Board, commended Michael McBride, Business Improvement and Sustainability Co-ordinator, on his presentations to the NLB User Group (NLBUG) and the Tri-GLA Joint Users Group where he represented NLB, highlighting his enthusiasm and passion.

6. HEALTH, SAFETY AND ENVIRONMENT (HS&E) PERFORMANCE

The HS&E Committee is attended by representatives from across the organisation and continues to be an open and transparent forum. The Governance Board noted the Assurance Statement provided by the HS&E Chair and noted the key highlights.

Health & Safety Assurance

NLB's HS&E Committee met 16 October 2024. The agenda included the key headings identified for discussion at organisational Health and Safety meetings with a broad range of issues

covered which included: Statistical Performance and Review of Incidents, Review of Inspections and Audits, New Legislation, Contact with Enforcing Authorities, Workforce Concerns, Management Concerns, Introduction of New Equipment, Changes to Procedures, Occupational Health and Training.

The Committee can confirm that: assurance was received in relation to all key issues; transparent reporting of incidents and near misses is taking place; necessary steps are being taken to identify and share lessons in order to prevent further incidents; Legislation is being tracked and compliance reviewed; dialogue is being maintained with external authorities; introduction of new equipment is being addressed; there is positive and open dialogue between Management and the Workforce on the full range of H&S issues.

The Chair of the HS&E Committee highlighted the following key areas:

- Since the last meeting there have been no reportable injuries. A minor injury was sustained at the Bell Rock and since this remedial action has been taken to replace sections of missing grated walkway which have been washed away.

- A Tri-GLA commissioned study into residual mercury remaining at stations following mercury removal has been undertaken. The full report is awaited but initial findings indicate that further actions may be warranted at a small number of stations, in the meantime the Tri-GLA Chief Executives Committee have agreed a series of recommended actions. Reminders have been issued to staff to highlight existing safety measures including the importance of hygiene. NLB remains compliant with existing legislative requirements.

- A Lone Worker App has been introduced. Senior Managers have been briefed on the system to establish whether it has applicability beyond the Delivery and Planning cohort involved in the trial.

- The Occupational Health arrangements following the change of provider have now settled down. Work continues to explore the widening of the scope for those included in the medical screening process and in addition ‘lifestyle’ wellbeing checks have been arranged for staff at Oban and HQ. Both initiatives provide positive assurance of NLB’s proactive approach to the health of its employees.

Sustainability and Environment Assurance

The agenda included Statistical Performance, Review of the activity of the Environmental Workgroup, Operational Activities Impacting on Carbon Emissions/Environment; GGC Reporting; Biodiversity and Biosecurity. The committee can confirm that: assurance was received in relation to all key issues: Delivery and reporting mechanisms for GGC Targets agreed with DfT are in place and operating effectively; Risks are being captured and managed; there is commitment across NLB to tackle the Climate Emergency in terms of both mitigation and adaptation; the importance of Biodiversity and Biosecurity is fully recognised by staff and reinforced via NLB’s Performance Management System.

The Committee wished to draw the Governance Board’s attention to the following issues:

- Data for Q1 24/25 was reviewed at the meeting. This provides positive assurance it represents the lowest rolling monthly average measured emissions figure since recording commenced. Eco steaming by vessels is a significant contributor to this success.

- NLB responded to a request from the Secretary of State for Transport relating to the delivery of the Government Fleet Commitment. (100% of the central Government car and van fleet to be zero emission by the end of 2027). NLB's response set out the particular challenges facing NLB from a Safety and Technical Standpoint whilst highlighting its absolute commitment to decarbonising operations. This issue is being closely monitored. The Governance Board fully support not deploying people in vehicles that are not suitable.

- NLB have updated their Biodiversity Procedure and Biosecurity Plan both created in conjunction with NatureScot. The intention is to reference these within the context of a wider Biodiversity Action Plan.

Commissioner Archibald noted the slight increase in road traffic incidents and asked if this was a worrying trend. The Chief Executive advised that these were minor low speed incidents and there are no issues requiring to be raised at this meeting.

Commissioner Charteris asked how prevalent the mercury issue was for NLB. The Director of Operations advised that of the 8 stations that had mercury baths, the last, being Hyskeir, has now been emptied. However, at those 8 stations the machinery, mechanism, etc can still be contaminated. There are 2 further stations that have mercury sliprings that will be engineered out in the next 2-3 years.

7. NAVIGATION AND OPERATIONS PERFORMANCE

The Navigation and Operations Committee met on 16 October 2024. The agenda covered key areas including Navigation, Operations and Business Services reports; Recent marine incidents and assessment of AtoN adequacy; Engineering requirements for existing AtoNs and future options for forthcoming projects; NLB lighthouse tender fleet status and helicopter operations; and Climate Change operational adaption measures.

The Committee can confirm that assurance was received in relation to all key issues. The Executive provided the necessary assurance that every effort was being made to attain, or exceed, the IALA recommended CAT 1 AtoN availability level. The Capital and Maintenance Programme remains under review and is subject to modification as operational priorities change. The Risk Cards for Aids to Navigation Provision, Asset Loss or Damage, Information Technology and Operational Technology, Technological Change and Obsolescence and Natural Events have been viewed by the committee and are updated on a regular basis.

The Committee wished to draw the Governance Board's attention to the following areas.

- The AtoN Category 1 availability remains steady at 99.84% and exceeds the IALA recommended level. This reflects the teamwork and tremendous commitment, dedication and effort by all those contributing to operations from across the organisation. Category 2 and 3 availabilities are well above the IALA Standard.

- On 7 October the 88-metre bulk carrier MV GOTLAND ran aground whilst southbound through Kyle Rhea. She was refloated on the rising tide and was anchored in Glenelg Bay. NLB currently provide lights in the area and prior to this incident were already engaged in consultation to see if any further mitigation measures to reduce the risk for users transiting South bound through the area could be implemented.

- A brief summary of the AtoN Review was presented to the GLA Joint User Group on 23 September 2024. The NLB Risk assessments were peer reviewed and signed off on the same date. The outcomes were presented to the NLB User Group meeting on 13 November 2024.

- On 12 September the Government announced it had postponed the launch of the new procurement regulations until February 2025. This delay is helpful to NLB is it allows focus on ASP and gives the Procurement Team more time to complete the training modules and update policies and procedures to align to Cabinet Office requirements.

- The Committee noted the risk of reduced agency crew availability to mitigate sick absence within ship's crew. The risk is compounded by bouts of increasing staff absence. The Director of Operations advised that this risk is resolving itself through a lot of hard work by Oban Team to keep on top of it. The risk is likely to downgraded relatively soon.

- The Committee reviewed Risk Cards Numbers: 5 – AtoN Provision; and 6 – Information Technology and Operational Technology.

Commissioner Archibald highlighted that in the CEC Report GRAD had concerns on the legal and safety issues around Virtual AIS and asked if NLB were aware of this. The Director of Operations clarified that GRAD have been involved in negotiating a Memorandum of Understanding with MCA in relation to deployment of AIS with preapproval from the GLAs. This is what GRAD is referring to rather than more specific sanctioned use as an aid to navigation.

8. VESSEL REPLACEMENT AND AVIATION SERVICES PROJECT UPDATE

The Governance Board noted the updates provided in the meeting pack.

Vessel Replacement Project (VRP)

The Director of Operations provided an overview of the project. It was noted that all aspects of the project are going really well, the financial profile is correct and the quality of the vessel is good but the one area that is affecting the project is the timeline. There has been delays in the construction of the vessel and the buffers the yard had prior to construction had been used up. The latest progress report has indicated that there will be a delay in delivery. There will be discussions held in November 2024, while the Director of Operations is at the yard, around the delivery date and implications. There is no concern around overall quality.

A decision on the Naming Ceremony and attendance at London International Shipping Week will be reviewed in the new year.

Discussions around disposal of the current POLE STAR continue to be held with the lessor.

Aviation Services Project (ASP)

The NLB Chief Executive, as SRO of the project, provided an update on the project.

ASP has gone through a significant change. Irish Lights have withdrawn and the project has now reset as a Bi-GLA Project with Trinity House. The complications of operating in two AOCs has been removed and it is likely there will be better competition as the offer will be much more attractive to those companies that operate solely in UK.

New dates have been set for the UK Government assurance and approvals process and work is well underway for the submission of documents to the Department for Transport (DfT), Cabinet Office and HM Treasury.

The Outline Business Case (OBC) was recently reviewed by the ASP Project Board. The contents of the OBC were reviewed and reaffirmed as suitable. The Bi-GLA ASP Integrated

Project Team (IPT) has worked well to review all project documentation and react with agility to the changing project environment. Final approval of the OBC, Annexes, and Procurement Documents to date is to be given at the ASP Project Board meeting on 18 November 24.
As SRO, the Chief Executive assesses ASP to be on track to deliver Aviation Services from December 2027 to Trinity House and NLB.

Commissioner Robson noted the comment around the Cooperation Agreement. The Chief Executive advised that after discussions with DfT and the Bi-GLA legal team, a draft 'Cooperation Agreement' has been produced. This agreement details the commitment of NLB and Trinity House to continue with a joint project to procure a replacement aviation service. This draft agreement was shared between Trinity House and NLB for review ahead of acceptance and formal signature. Initial feedback from Trinity House in the form of an amended document shifting emphasis to a non-binding MoU has been sent to DfT and the legal advisors for review.

Commissioner Shaw asked, if looking to the future, the provision of aviation services could be incorporated into search & rescue helicopters, etc. The Chief Executive advised that this had been looked at but the MCA contract was too far advanced and the risk was too great for the GLAs to be included. From 2027 there will be 10-12 years to consider options for future procurement.

9. AUDIT & RISK COMMITTEE (ARC)

The NLB Audit and Risk Committee (ARC) met on 17 October 2024. Key issues considered included: the Executive Report; Management Results; Risk and Improvement Manager's Report; Risk Card Review; Compliance Officer's Report; Internal Audit Report; External Audit Report; Best Practice and Gap Analysis; Committee Effectiveness; and Forward Workplan.

The Committee confirmed that the Executive Report is a very useful and comprehensive document which continues to provide sufficient assurance on key issues.

The Chair of the ARC highlighted the following key areas:

- The renewal of the Aviation Services Contract is at a point where it requires great focus, dedication and resources from the team. The withdrawal of Irish Lights from the project, under a timeline which was already considerably pressured, is creating additional work. Some relaxation of the implementation dates for new procurement regulations and the removal of the reliance on a Note Verbale, have given slight breathing space, but this is still a very pressured project. The Committee received assurance that the dates for Commercial Assurance Board (CAB) on 3 December, and Tier 2 Board on 13 December, are achievable. The entire team should be commended for their continued commitment to this project, which goes above and beyond normal working.

- The Vessel Replacement Project remains on budget. The significant effort and close working relationship between the shipyard and our project team continues to be crucial.

- Greening Government Targets - There is a renewed push to move to 100% Zero Emission Vehicles (ZEV) by 2027 under the new Government. This presents difficulties for NLB given the geography, distance, tasking, 4x4 vehicles and towing requirements. NLB will consider asking for an exemption which can be formally applied for on both technical and safety terms. This is an issue which will be monitored and reported on regularly.

- Highlands and Islands Grant Income - This historical income (since 1925) will now be met from light dues. There will be slight adjustment to the Corporate Plan for next year to allow for this, but we expect last year's payment (£46k) to still be settled.

- The transition to the new standard for Information Security Management (27001:2022) has been completed. This represents significant work to align with the additional requirements of the new standard including a complete rewrite of the ICT Information Security Management Documentation. No findings were raised at the audit and the documentation was found to be 'robust and of a high quality'.

- NLB recently underwent a full 5-day re-certification audit for the three ISO management standards (ISO 9001,14001 & 45001). This was a deep-dive audit across HQ, Oban Base, AtoN controls, and one lighthouse visit (Lismore). LRQA's detailed report recommended renewal for three years with no significant findings. This is a significant externally assessed re-certification which provides assurance on the effectiveness of our management systems.

- Artificial Intelligence (AI) is an emerging area of focus in relation to both risk and opportunity management. The Committee can provide assurance that issue of AI is receiving the appropriate levels of oversight and management control that are already being embedded across NLB's Assurance Landscape. An AI working group has been established within NLB and work is underway via GRAD to establish a Tri GLA strategy document to assist with informing the optimal use of Artificial Intelligence tools throughout the GLAs.

- Change to GIAA audit plan – The previously approved audit plan included the Aviation Services Project. Due to the current work on this project, a decision has been taken to replace this element with an audit of NLB's Asset Management.

- ARC Effectiveness Survey - the annual effectiveness survey results were tabled. They show positive results overall.

Commissioner Archibald asked for an update on the Framework Document. The Director of Business Services advised that DfT had received feedback from DoT that they would like to make some changes in terms of the governance and control of Irish Lights. Discussion is ongoing.

The Chair highlighted the recertification of the 3 ISO standards. This is independent assurance that all these standards are being followed and is a superb piece of work and the achievement should not be underestimated.

10. PEOPLE COMMITTEE AND NOMINATIONS FOR APPROVAL

The People Committee met on 21 October 2024.

Part 1

Part 1 of the People Committee covered the following issues: Recruitment and turnover statistics; sick absence; Pay; Drug and Alcohol testing; Review of Staff Council minutes; Review of Escalated Risks and HR Risk Card.

The Committee confirmed that:

- Appropriate recruitment action is underway to fill vacancies.
- The Human Resources Risk Card was reviewed with minor amendments identified.

In the absence of the Chair of the People Committee, the Chief Executive highlighted the following key areas:

- Overall sick absence has increased slightly in recent months with long-term absence on the vessels, but this should improve as a number are due to return over the next couple of months. Shore based staff short-term absence remains fairly low but has increased due to increased cases of COVID/Colds.

- Pay – Covered under Agenda Item 5.

- The initiative to widen the scope of employees which should undertake Safety Critical Medical Assessment is being moved forward and a Management of Change document will be submitted shortly to the Executive Group. Once approved consultation with Trade Union will commence.

- Engagement Survey – Covered under Agenda Item 5.

- Minutes of the Staff Council held in September 2024 evidence good relations and a positive response to staff concerns/ideas. NLB's Chair, Elaine Wilkinson attended the Staff Council as an observer and provided the People Committee with independent assurance that the meeting is open and inclusive.

Part 2

NLB's People Committee met on 21 October 2024. Part 2 of the People Committee covered the following issues: Recruitment of a Commissioner to be appointed by Scottish Ministers; Re-appointment of the Commissioner for the Isle of Man, Appointment of NavOps Committee Chair, Appointment of a member of the JSB and Appointment of People Committee Chair.

The Committee wished to draw the Governance Board's attention to the following issues:

- A sift panel have selected 6 candidates from a field of 49 to be called forward for interview for the Commissioner to be appointed by Scottish Ministers.
- Following receipt of direction from DfT action is underway to progress the reappointment of the Commissioner for Isle of Man.
- It is recommended that the Governance Board appoint Jamie Finlay as Chair of NavOps, to take over with effect from completion of the Governance Board to be held 19 February 2025.
- It is recommended that the Governance Board appoint Brian Archibald to the Joint Strategic Board with effect from 1 April 2025.
- A successor to Derek Pyle as Chair of the People Committee will be required on his retirement. The current Chair will sound out potential successors within the Sheriff Principal cohort of Commissioners and report back to the Committee.

The Governance Board discussed and approved the recommendations to appoint Commissioner Finlay as Chair of the NavOps Committee with effect from 19 February 2025; and to appoint Commissioner Archibald to the Joint Strategic Board with effect from 1 April 2025.

11. MATTERS FOR APPROVAL

There were no matters for approval at this meeting.

12. STAKEHOLDER ENGAGEMENT

The Governance Board noted the Stakeholder Engagement update. Key areas to note:

- **Chief Executives Committee (CEC) -** The draft minutes for the JSB that took place virtually on 14 October 2024 were noted.

- **LAC/JSB Vessel Replacement Meeting -** A follow up to the meeting held with LAC in February was held on 24 September at TH London. The potential and ambition for collaboration between the GLAs has been somewhat scaled down given the progress made with the Trinity House's Futures Afloat Project which closes off a number of possibilities. NLB's update on VRP was well received.

- **IALA -** Although initially indicating that UK representation at Council meetings (assuming UK is elected at the General Assembly (GA) in February 2024) would be at GLA level with both the Chief Executives of Trinity House and NLB representing UK, DfT have had a change of mind. The indication is now that representative will be a DfT official. Trinity House and NLB have agreed that the GLAs should not be burdened with briefing a non-expert on technical matters for no added value. It is understood from information picked up at the recent meeting with the Head of DfT Sponsorship team that there is an internal meeting within DfT to discuss this matter further.

- **Corporate Planning Briefing with DfT** - The Chief Executive and Director of Business Services met with Lisa Gilmour, Head of DfT Sponsorship Team in person in London on 5 November 2024. Russell Clarke (GLF Accountant) and Jane Hoy (new Grade 6 in the Sponsorship team) joined virtually. Overall the plan was well received with only a few minor amendments required.

- **Corporate Plan Briefing with LAC –** The Chief Executive and Director of Business Services with the Lights Advisory Committee on 13 November 2024. The meeting went exceptionally well. NLB was congratulated on their Plan. There were no issues or further questions raised.

- **Annual Board Evaluation Meeting -** A t the 5 November 2024 meeting with Lisa Gilmour the issue was raised about what DfT's plans were for the annual meeting with a Senior Official and NLB's Chair and CE including the Board effectiveness evaluation. A meeting will be scheduled in February 2025 with either Rannia Leontaridi, Director General of Aviation, Maritime and Security Group or Lola Fadina Director Maritime.

- **Lighthouse Twinning** – NLB are working on a twinning agreement between Inubosaki Lighthouse in Japan and the Mull of Galloway (MoG). A date of 21 November has been set for the official signing of the agreement which will be done virtually with simultaneous events at 0900 in Scotland and 1800 in Japan. The partnership, thought to be the first of its kind, hopes to highlight the shared heritage and promote tourism at the Mull of Galloway and Inubosaki facilities.

- **Message in a Bottle -** The story continues to attract attention and at one stage, was running as the biggest story in the world.

- **Isle of Man Government update** – Commissioner Welsh reported that the Lieutenant Governor for the Isle of Man is scheduled to visit the lighthouses on the Isle of Man. There are also some proposals for windfarm developments that Commissioner Welsh is keeping the Director of Operations and Navigation Team in the loop with.

- **Department of Transport update** – Commissioner Robson reported that DfT are active with the non-executives and have set up a "friends" group and he has been allocated Professor Stephen Duckworth. Commissioner Robson is also attending a non-

executives meeting in London at the end of November 2024. Another non-executives meeting is scheduled in Birmingham in January 2025.

Commissioner Robson will also be meeting with his opposite number at Trinity House, Curtis Juman. Curtis Juman is looking to set up a regular quarterly meeting with DfT which Commissioner Robson will attend with the first meeting likely to be in January 2025.

- **Transport Scotland update** – The Chair reported that following the restructuring of the Directorates the Permanent CEO at Transport Scotland is now Alison Irvine. Budgets, Harbour Revision Orders, the closure of Perth Harbour and the Emissions Trading Scheme were also discussed.

  It was noted that the Chair had received an email from the Director General of Corporate Delivery Group asking to remind Board Members of their responsibilities in respect of social media under the Code of Conduct for Board Members of Public Bodies. A link to the guidance will be shared.

  Action: Senior Executive Assistant

13. CORPORATE CALENDAR

The Governance Board noted the Corporate Calendar for 2025.

14. ANY OTHER BUSINESS

KnowBe4 Training
It was noted that KnowBe4Training for Commissioners will be issued shortly.

Workboat
The Director of Operations advised that as part of the VRP project there is a workboat which will be registered as a small vessel. The workboat will require to be named so that a certificate of registry can be obtained. It is proposed to name the vessel Robert Stevenson. The Governance Board approved this proposal.

Post Budget Issues
Commissioner Archibald asked if there were any post budget issues for NLB. The Director of Business Services advised that a revised Corporate Plan was required to be submitted to DfT which incorporated extra money for National Insurance over the period of the Plan and a slight amount extra for passenger duty.

15. DATE OF NEXT MEETING

The next meeting will be held on 19 February 2025 at 10am. It is still to be confirmed whether this will be an in person or virtual meeting.